

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



March 19, 1990

ALL COUNTY LETTER NO. 90-28

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: EXCLUSION OF INCOME RECEIVED FROM TEMPORARY EMPLOYMENT
RELATED TO THE 1990 CENSUS IN THE AFDC, FOOD STAMP,
RDP, ECA, AND RCA PROGRAMS.

REFERENCE: MPP SECTIONS 41-440.1, 41-440.7 and 44-111.3(p) and
M.S. 63-502.112

The purpose of this letter is to inform Counties that the Department of Social Services (DSS) has received approval from the Department of Health and Human Services (DHHS) and the United States Department of Agriculture (USDA) to participate in a demonstration project to improve AFDC and Food Stamp recipients' employability by disregarding income earned as short-term census workers.

Prior to March 1986, the Department had authority under 45 CFR 233.20 (a)(3)(iv)(F), to disregard earned income of temporary census employees as "casual and inconsequential" for AFDC purposes. On March 18, 1986, however, DHHS published final regulations that eliminated the authority States previously had been given to exclude this income.

Federal Action Transmittal Number FSA-AT-89-51 dated November 17, 1989, issued by DHHS, notified States of the availability of a demonstration project to test whether the provision of a disregard of short-term census income along with information regarding the availability of the short-term jobs has an effect on welfare dependency. The Department's request for inclusion in this project was approved on February 20, 1990.

On January 29, 1990, the Department received a letter from Food and Nutrition Service (FNS) Western Region inviting California to participate in the demonstration aimed at determining whether the income for Food Stamp Program purposes has any effect on a person's prospects for gaining long-term employment. The Department's request for inclusion in this project for the Food Stamp Program was approved March 1, 1990.

The effect of DSS' participation in this demonstration project is that earned income which results from an applicant/recipient's temporary employment related to the 1990 Census is exempt from

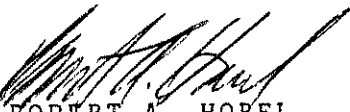
consideration as income when determining AFDC and Food Stamp eligibility and benefit levels. This exemption applies to income earned from March 1 to August 31, 1990.

In addition, AFDC-U cases in which the principal earner parent accepts census related employment will remain eligible even if that parent works 100 hours or more per month. The time period for the AFDC-U deprivation exception is also March 1 through August 31, 1990. These cases should be monitored closely in August 1990 for possible continuation of employment in excess of 100 hours in the month of September 1990. If this occurs, MPP 41-440.7 requires that the case be discontinued.

For families whose AFDC and/or Food Stamp benefits have been reduced, terminated, or denied because earnings received from temporary census employment was treated as income, Counties are to restore benefits to the amount to which they would have otherwise been entitled had these earnings not been counted as income.

As a condition of eligibility to participate in the demonstration projects, DSS is required to report certain data regarding the projects to FSA and FNS. This includes the monthly cost of exempting the income and the number of AUs/Households that leave assistance because of earned income in the 12 month period following the period of exemption. DSS will attempt to obtain the information necessary to meet these reporting requirements through internal mechanisms. However, Counties may need to provide additional case specific information in order for the Department to meet the reporting requirements. Counties will receive further instructions if it becomes necessary to obtain additional information.

If you have any questions or need additional information, please contact Sandra Poole-Taylor of the AFDC and Food Stamp Policy Implementation Bureau at (916) 324-2661 or ATSS 454-2661 for AFDC issues or Kathie Birmingham at (916) 324-2012 or ATSS 454-2012 for Food Stamp issues.


ROBERT A. HOREL
Deputy Director

cc: CWDA